## Central Intelligence Agency



Mr. Paul K. Krueger Assistant Associate Director for Resources Preparedness Federal Emergency Management Agency Washington D.C. 20472

Dear Mr. Krueger:

Thank you for your letter of June 14, 1984 that affords the Central Intelligence Agency an opportunity to assess and report on the impact that an oil supply disruption would have on Agency programs and objectives.

Based on the Impact Assessment Guidelines provided with your letter we have determined that a moderate disruption in oil supplies would not preclude this Agency from completing programs and accomplishing objectives. This, of course, assumes that current budgetary funding, if not adequate, would be adjusted to offset the fuel cost increase associated with the disruption. On the other hand, even with additional funding to offset increased fuel cost, we view a severe disruption as having the potential to significantly impact certain Agency programs and objectives requiring priority materiel shipments.

A high percentage of our materiel shipments are currently accomplished via commercial or military air modes and with our own land transportation capability. Since we must assume that everyone would be faced with the same fuel cost, and availability considerations, we must also assume that the commercial sector as well as the military would undertake restrictive fuel allocation and consumption programs. We believe that these restrictions would ultimately translate into higher costs for snipping and reduced snipping schedules. the extent these higher costs and reduced schedules delayed or otherwise restricted the shipment of critical program materiel, greater use of our own transportation capability will be required if we are to meet our mission requirements. It is therefore considered essential that in the event of severe disruption in oil supplies, this agency be authorized sufficient fuel allocations to maintain, at a minimum, its current transportation capabilities.

## Mr. Paul K. Krueger

If you have any questions regarding this response or if we may be of further assistance in this matter, is the Staff Officer for this project.

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Sincerely,

Daniel C. King Director of Logistics Central Intelligence Agency

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